



Deepening the Sabine-Neches Waterway

A Partnership to Deliver Jobs, Federal Revenue, and Strategic Alliances

The Nation's Energy Gateway

#3

Largest Refining Capacity in the US

#2

Largest Liquid Bulk Petroleum Port in the US

#1

Largest Refiner of Jet and Military Fuels

Explorer Pipeline

660 thousand barrels per day

- Originates in Port Arthur, Texas.
- Transports 660 thousand barrels of gasoline, diesel, and jet fuel every day.
- Supplies more than 70 major cities in 16 states.
- More than 350 thousand barrels a day are supplied to markets in the Midwest.

Colonial Pipeline

3 million barrels per day

- The largest fuel system in the United States.
- Supplied by the Sabine-Neches Waterway refining complex, including the nation's largest refinery.
- Transports 3 million barrels of gasoline, diesel, home heating oil, and jet fuel every day.
- Directly supplies seven major airports and multiple Department of Defense installations.
- Delivers to approximately 270 marketing and shipper terminals in thirteen states and the District of Columbia.



More than 99% of SNWW's refined products go to national and global markets

Sabine-Neches Waterway National Security

#1 Commercial Military Outload Port in the United States

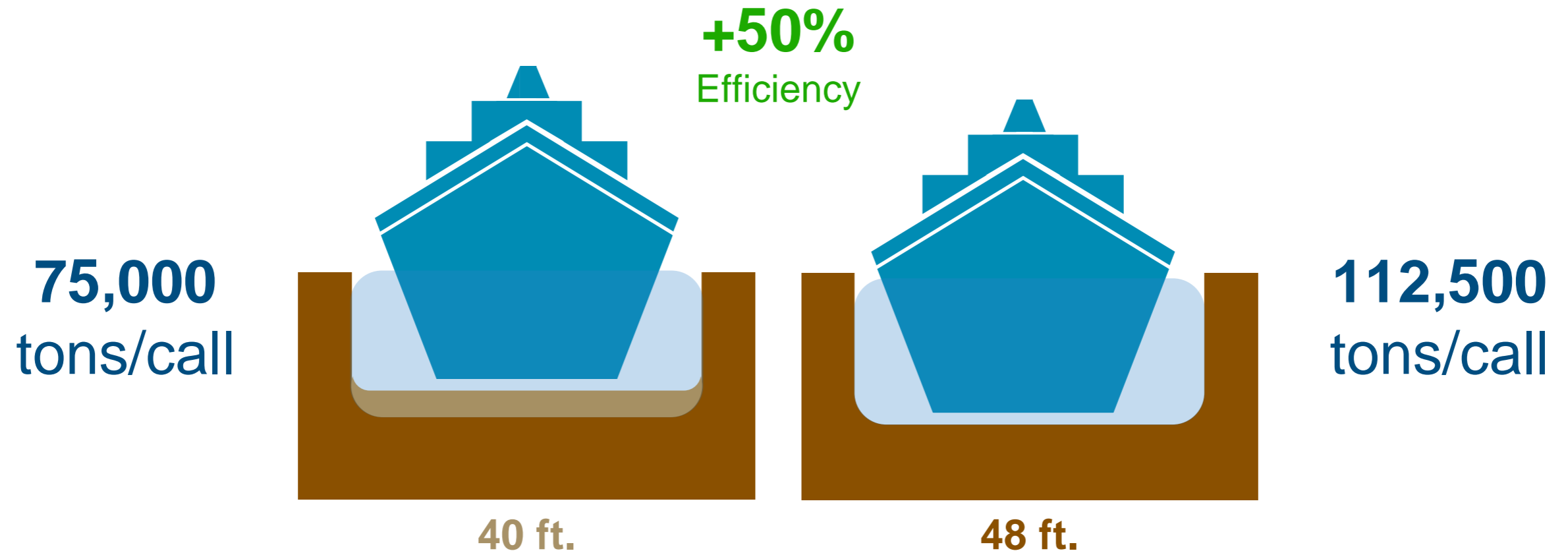
#1 Largest Ready Reserve Fleet in the United States

#1 Access point to 57% of Strategic Petroleum Reserves

Path to Delivery

- 1962 Sabine Neches Waterway deepened to 40 feet
- 1997 Waterway Deepening and Widening study implemented
- 2011 USACE completes Feasibility Study of Sabine Neches Waterway Channel Improvement Project
 - Deepen Waterway from 40 to 48 feet authorized depth and addition of three new anchorages and two turning basins
 - \$1.2B USACE Cost Estimate
 - 30 Work group meetings with industry
- 2014 WRRDA authorizes project
- 2016 USACE Economics Update (Excluded Crude and LNG Exports)
 - DMA Hired to evaluate USACE study
- 2017 USACE funded to begin engineering (not performed)
- 2017 SNND performs Value Engineering Study
 - Identified over \$180M in cost savings
 - Identified optimal construction sequencing
- 2018 FY19 USACE funded "New Start Construction"
 - \$1.4B USACE cost estimate
 - SNND begins engineering for contracts
- 2020 USACE awards first contract
 - SNND engineering completed for three contracts
 - SNND developing scope of work to complete 100% of engineering by 2022

Modernize 1960s Era Navigation Channel



- Increase future capability — **strategic** asset improvement
 - Vessels currently at 38 to 40-foot draft: avg. 75,000 tons/call
 - Vessels with deepening 46 to 48-foot draft: avg. 112,500 tons/call
 - Improve the cargo capacity potential of the waterway by 50%
 - Increase energy export volume
 - Increase import volume for value added refined product export



SABINE-NECHES WATERWAY CHANNEL IMPROVEMENT PROJECT



Authorization: Construction

Purpose: Navigation

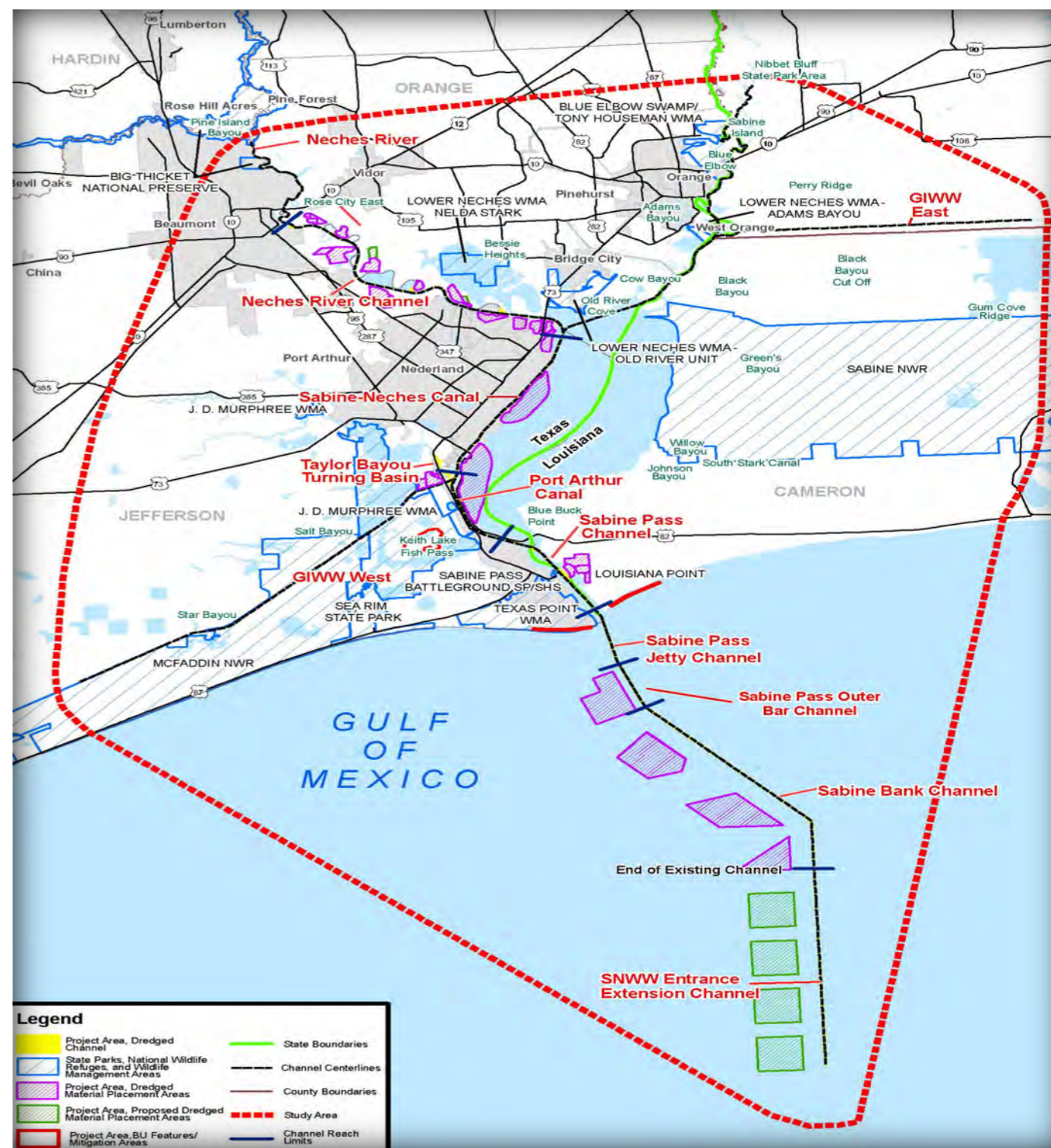
Phase: 1st Phase- Dredge entire channel to a 44 foot depth

2nd Phase- Dredge entire channel to the final 48 foot depth

Total Project Cost: \$1.9 Billion

Project Description:

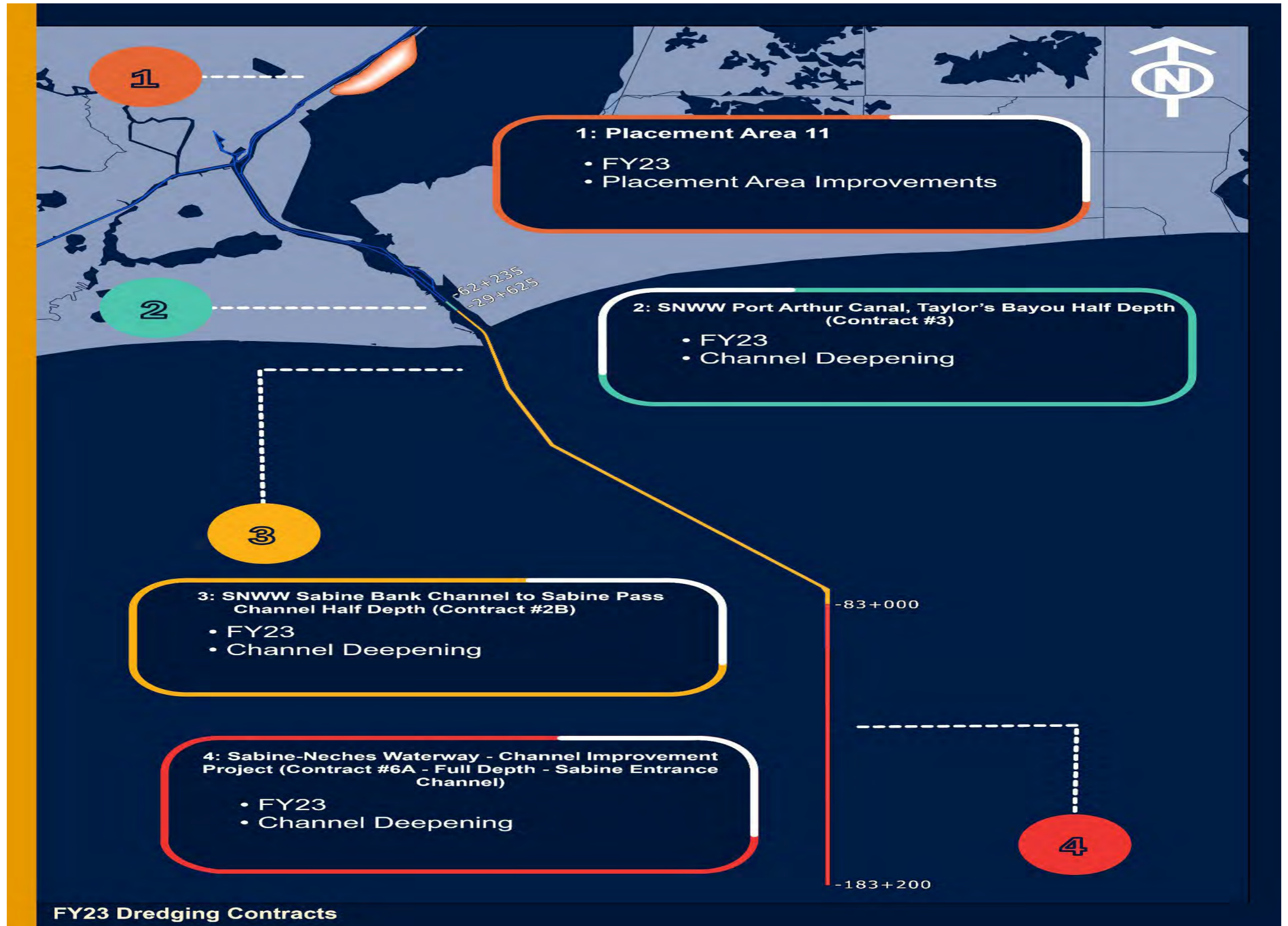
- Deepening the SNWW from 40 to 48 feet and offshore channel from 42 to 50 feet in depth from extension to the Port of Beaumont Turning Basin
- Extending the 50-foot-deep offshore channel by 13.2 miles, increasing the total length of the channel from 64 to 77 miles
- Decreasing the width of the Sabine Bank Channel from 800 to 700 feet
- Tapering and marking the Sabine Bank Channel from 800 feet wide (Station 23+300) to 700 feet wide (Station 25+800 through the end of the channel)
- Deepening and widening of Taylor Bayou channels and turning basins
- Easing selected bends on the Sabine-Neches Canal and Neches River Channel
- Constructing new and enlarging/deepening existing turning and anchorage basins on the Neches River Channel



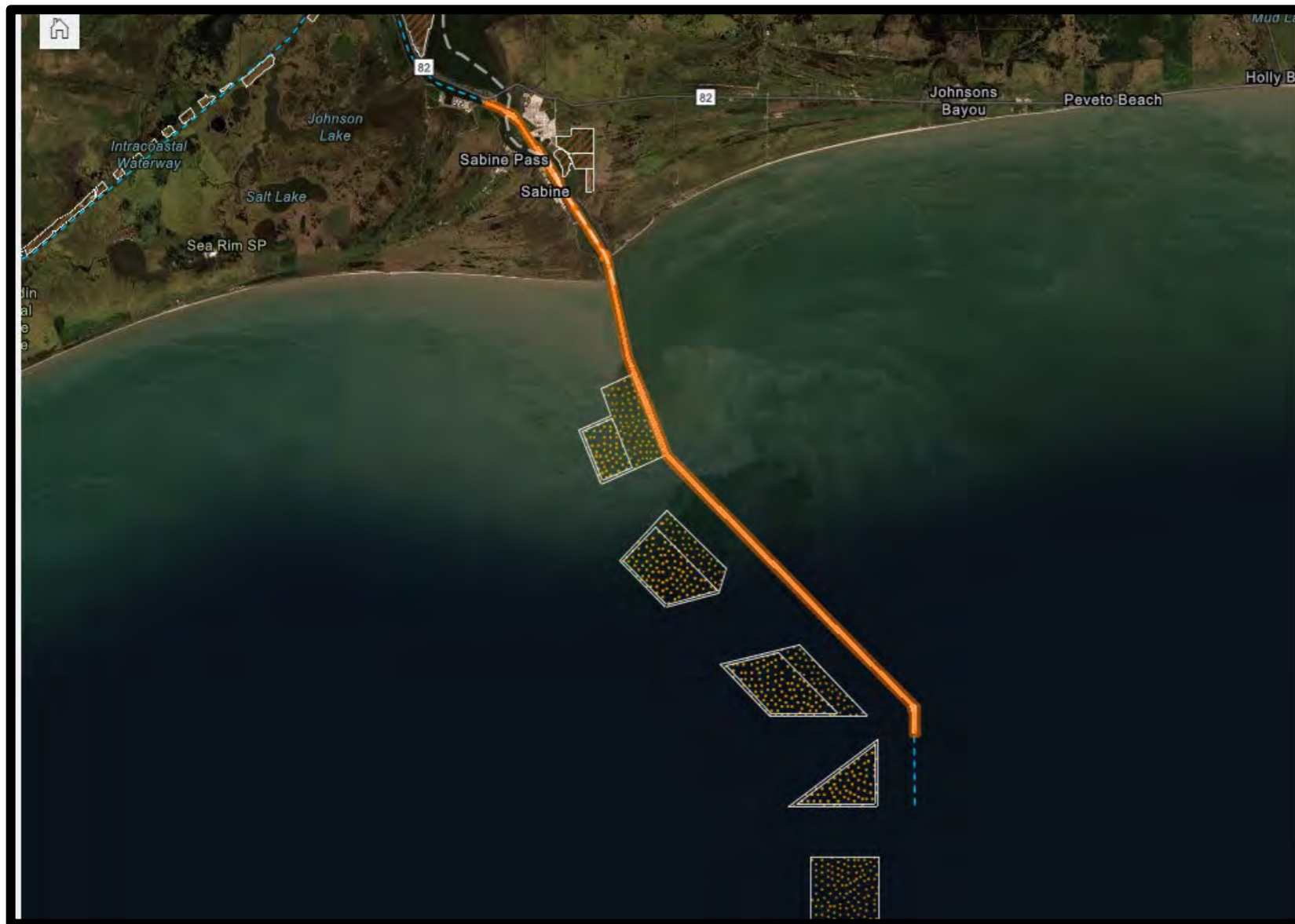
Project Breakdown by Contract

Contract Number	Description	Depth	Funding	FY Award	Status	Placement Areas Feasibility Plan	Quantity
1	Anchorage Basin 1		Federal	2020	Construction completed- FED AWARD	Upland	
2A	Sabine Extension Channel to Sabine Bank	Half Depth	Federal	2022	Construction ongoing- FED AWARD	Offshore	6.80 MCY
2B	Sabine Bank to Sabine Pass Outer Bar, Jetty Channel, Sabine Pass	Half Depth	Federal	2023	95% Design of P&S- FED AWARD	Offshore	9.89 MCY
3	Port Arthur Canal, Taylor's Bayou	Half Depth	Non-Federal	Nov 2023	65% Design of P&S- NFS AWARD	Upland	5.01 MCY
4	Sabine Neches Canal to Neches River Channel	Half Depth	Non-Federal	2025	Awaiting Design -NFS AWARD	Upland	10.25 MCY
5	Neches River Channel	Half Depth	Non-Federal	2026	Awaiting Design- NFS AWARD	Upland	5.21 MCY
6A	Sabine Extension Channel to Sabine Bank	Full Depth	Federal	2023	65% Design- FED AWARD	Offshore	13.5 MCY
6B	Sabine Bank to Sabine Pass Outer Bar, Jetty Channel, Sabine Pass	Full Depth	Federal	2024	Awaiting Design - FED AWARD	Offshore	16.3 MCY
7	Port Arthur Canal, Taylor's Bayou	Full Depth	Federal	2025	Awaiting Design - FED AWARD	Upland	6.23 MCY
8	Sabine Neches Canal to Neches River Channel	Full Depth	Federal	2029	Awaiting Design - FED AWARD	Upland	9.83 MCY
9	Neches River Channel	Full Depth	Federal	2030	Awaiting Design - FED AWARD	Upland	7.39 MCY
10	West Black Bayou Mitigation		Federal	2026	Awaiting Design - FED AWARD	N/A	N/A
11	East Black Bayou Mitigation		Federal	2027	Awaiting Design - FED AWARD	N/A	N/A
12	Willow Bayou Mitigation		Federal	2024	Design complete in FY 24- FED AWARD	N/A	N/A
13	Anchorage Basin 8		Non-Federal	Late 23/Early 24	95% Design complete P&S -NFS AWARD	Upland	2.0 MCY
14	Anchorage Basin 4		Non-Federal	2024	65% design complete P&S by NFS - NFS AWARD	Upland	1.2 MCY
15	Placement Area 8		Federal	TBD	35% design completed -FED AWARD	N/A	TBD
16	Placement Area 11		Federal	2023	35% design completed - FED AWARD	N/A	TBD

FY 23 Contract Overview



Sabine Bank Channel to Sabine Pass Channel Half Depth



Dredge Type: Hopper

Placement: ODMDS

Quantity: 9.89 MCY

Depth: 46 ft + 2 ft

Advertise: Jan 2023

Bid Opening: Feb 2023

Award: March 2023

Construction Start: April 2023

Construction End: July 2024

USACE Award

Port Arthur Canal, Taylor's Bayou Half Depth



Dredge Type: Pipeline

Placement: Upland

Quantity: 5.01 MCY

Depth: 44 ft + 2 ft

Advertise: Sept 2023

Bid Opening: Oct 2023

Award: Nov 2023

Construction Start: Dec 2023

Construction End: Dec 2024

SNND Award

Sabine Extension Channel to Sabine Bank Full Depth



Dredge Type: Hopper
Placement: ODMDS
Quantity: 13.5 MCY
Depth: 50 ft + 2 ft
Advertise: July 2023
Bid Opening: Oct 2023
Award: Sept 2023
Construction Start: Dec 2023
Construction End: March 2025

USACE Award

Placement Area 11 Improvements



Advertise: July 2023
Bid Opening: August 2023
Award: Sept 2023
Construction Start: October 2023
Construction End: Dec 2024

USACE Award

An aerial photograph of an industrial complex, possibly a refinery or chemical plant, situated along a large river. The facility features numerous large storage tanks, processing units, and a complex network of pipes and roads. A prominent bridge with two tall towers is visible in the lower-left corner, crossing the river. The surrounding area includes some greenery and residential or commercial buildings. The word "Questions?" is overlaid in large, bold, red font across the center of the image.

Questions?